

**IN THE UNITED STATES COURT
OF FEDERAL CLAIMS**

CIGNA HEALTH AND LIFE INSURANCE
COMPANY, *et al.*,

Plaintiffs,

v.

UNITED STATES OF AMERICA,

Defendant.

No. 1:20-cv-00546-RTH
(Judge Holte)

JOINT STATUS REPORT

Pursuant to the Court's July 18, 2022 order, the parties respectfully submit this joint status report to request that the Court continue the stay of plaintiffs' remaining cost-sharing reduction (CSR) claim (Count III) of plaintiffs' First Amended Complaint.

This case is currently stayed because the Government is working with a number of CSR plaintiffs to determine whether they may efficiently resolve this matter without further litigation or at least streamline these cases. *See* Doc. 20 at 1. The parties to a number of these CSR cases, including this one, have also presented joint stipulations for CSR amounts owed by the Government for 2017. Doc. 26 at 1. While negotiations continue, the parties to this action have made periodic joint status reports to the Court. *See* Docs. 28 and 31. On July 18, 2022, the Court continued the stay in this case and ordered the parties to file a joint status report on or before September 16, 2022. *See* Doc. 34. The Court also ordered: "If the parties request to continue the stay in the next JSR, the parties SHALL FILE a JSR every 60 days thereafter." *Id.*

The parties request that the Court continue the stay to provide more time for the broader discussions about possible approaches to resolving this and other CSR cases. As the parties

reported before, counsel for a large number of plaintiff health plans shared a proposal with the Government on December 3, 2021. On April 28, 2022, the Government provided its substantive response to the CSR plaintiffs' proposed settlement methodology for CSR damages owed for benefit years 2018 and beyond. The CSR plaintiffs and the Government held a conference call on May 6 to discuss certain aspects of the Government's response and what the next steps should be. The CSR Plaintiffs responded on May 23, 2022. Thereafter, the parties have convened by phone multiple times, and the Government produced certain settlement-related data and other information to the plaintiffs on July 22, 2022. The parties participated in a settlement-related call on September 1, 2022, and the CSR Plaintiffs followed that call with a letter to the Government on September 15, 2022. The Government reviewed and discussed internally the CSR Plaintiffs' letter. Specifically, the Government explored possible new sources of information and ways to estimate where information does not appear to be available. The Government sent its response to the CSR Plaintiffs' letter on November 10, 2022. Plaintiffs here have expressed a willingness to consider seriously the method, if any, that the Government is able to agree to with the other CSR plaintiffs for resolving or streamlining the CSR cases. The complexity of the CSR cases and the number of interested stakeholders necessitate that the parties be afforded additional time for these efforts. Good cause therefore exists to continue the stay.

Accordingly, the parties jointly request that the Court continue the stay in this case, and the parties will file a JSR within 60 days, by January 13, 2023, to update the Court on the status of their efforts to fully resolve this matter.

November 14, 2022

Respectfully submitted,

BRIAN M. BOYNTON
Principal Deputy Assistant Attorney General

PATRICIA M. McCARTHY
Director

/s/ Howard J. Stanislawski
Howard J. Stanislawski
SIDLEY AUSTIN LLP
1501 K Street NW
Washington, DC 20005
(202) 736-8000
hstanislawski@sidley.com

Of Counsel:

Thomas D. Cunningham
SIDLEY AUSTIN LLP
One South Dearborn Street
Chicago, IL 60603
tcunningham@sidley.com

William A. Sarraille
Tobias S. Loss-Eaton
SIDLEY AUSTIN LLP
1501 K Street NW
Washington, DC 20005
(202) 736-8000
tlosseaton@sidley.com

*Counsel for Plaintiffs Cigna Health and
Life Insurance Company, Cigna
Healthcare of Arizona, Inc., and Cigna
Healthcare of Texas, Inc.*

/s Claudia Burke
CLAUDIA BURKE
Assistant Director

/s David M. Kerr
DAVID M. KERR
Trial Attorney
Commercial Litigation Branch
Civil Division
U.S. Department of Justice
P.O. Box 480
Ben Franklin Station
Washington, DC 20044
Telephone: (202) 307-3390
Email: David.M.Kerr@usdoj.gov

OF COUNSEL:

ALBERT S. IAROSSI
Senior Trial Counsel
Civil Division
U.S. Department of Justice

Attorneys for Defendant